

# PARTNERS FOR SUCCESS

## Welcome

This event is hosted by:  
**Arizona Department of Real  
Estate**

With special thanks to:  
**County Supervisors Association**  
for providing the venue

February 14, 2008

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# Jim Palmer

CSA President

Graham County Supervisor

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# Bob Gould

Community Development Director  
Gila County



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# The Impact of Illegal Subdivisions

A Short Video

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Example #1:  
Ruby Star Airpark  
An Illegal Subdivision

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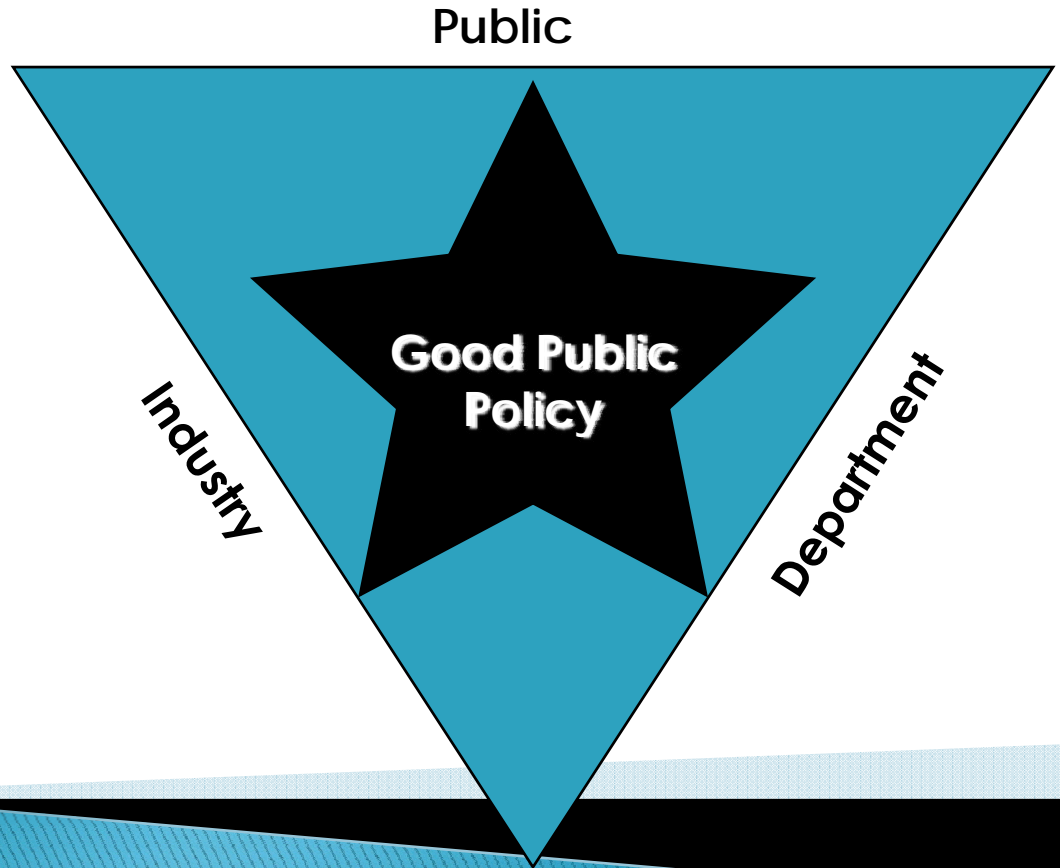
# Sam Wercinski

Arizona's Real Estate Commissioner



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## Three Entities



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## Our Focus Benefits the Three Entities

2007 and forward

Focus on Shifting Resources

Focus on Educating to Prevent Harm

Focus on Illegal Subdividers

2008 addition

Focus on Drop Houses



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## Increased Resources for Combating Illegal Subdivisions

- Assistant Commissioner, Investigations
- Development Investigators – 3.5 to 7
  - Investigator stationed in Tucson
- Assistant Commissioner, E & C
- Settlement Officers – One to Four
- ADRE-County IGA available
- Increased legal support
- Stronger ADRE-AG relationship
  - Elevating to criminal when appropriate

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# Terry Goddard

Arizona's Attorney General

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# What is an Illegal Subdivision?

Roy Tanney,  
Assistant Commissioner of  
Development Services



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## **“Subdivision” -**

Land divided or proposed to be divided for the purpose of sale or lease, whether immediate or future, into six (6) or more lots, parcels or fractional interests.

A.R.S. 32-2101(55)

## **"Subdivider" –**

Any person who offers for sale or lease six or more lots in a subdivision or who causes land to be divided into a subdivision. A.R.S. 32-2101(54)

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## Characteristics of an Illegal Subdivision:

- No approved or recorded plat
- Substandard infrastructure
- Lack of Public Report
- Lack of ADEQ and ADWR oversight

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# Why Are Illegal Subdivisions Created?

Tom Adams

Assistant Commissioner of  
Investigations



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- Time
- Money
- Lack of Deterrents
- Lack of Education

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Affect on Consumers

Affect on Industry

Affect on Cities and  
Counties

Affect on State

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## Red Flags

- Multiple splits over short period of time
- Familial relationship between lot splitters
- Common promotional plan



# Subdivision Cases

By County as of January 1, 2008

County	Illegal Subdivisions		Subdivision Violations	
	Investigations	Enforcement & Compliance	Investigations	Enforcement & Compliance
Apache	4	3	4	0
Cochise	6	0	1	0
Coconino	0	3	2	12
Gila	3	1	0	1
Graham	3	1	0	1
Greenlee	0	1	0	0
La Paz	4	0	0	0
Maricopa	30	64	19	15
Mohave	8	5	12	3
Navajo	2	5	0	1
Pima	8	6	3	1
Pinal	10	13	2	0
Santa Cruz	0	1	0	1
Yavapai	9	13	2	9
Yuma	1	1	0	1
<b>TOTAL</b>	<b>89</b>	<b>117</b>	<b>48</b>	<b>47</b>

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## Strategies for Success

- IGA
- Increased Education
- Stronger Deterrents

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**Thank You**

**Lunch session begins  
at 11:30.**